

Form **990-EZ**Department of the Treasury  
Internal Revenue Service**Short Form**  
**Return of Organization Exempt From Income Tax**

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except private foundations)

▶ Do not enter social security numbers on this form as it may be made public.

▶ Information about Form 990-EZ and its instructions is at [www.irs.gov/form990](http://www.irs.gov/form990).

OMB No 1545-1150

**2016****Open to Public  
Inspection**

**A** For the 2016 calendar year, or tax year beginning January 1, 2016, and ending December 31, 2016

**B** Check if applicable:  
☐ Address change  
☐ Name change  
☐ Initial return  
☐ Final return/terminated  
☐ Amended return  
☐ Application pending

**C** Name of organization  
**Balanced Budget Amendment, Inc.**  
Number and street (or P.O. box, if mail is not delivered to street address) Room/suite  
**2740 SW Martin Downs Blvd. #235**  
City or town, state or province, country, and ZIP or foreign postal code  
**Palm City, FL 34990**

**D** Employer identification number  
**27-1351108**

**E** Telephone number  
**772-781-5559**

**F** Group Exemption Number ▶

**G** Accounting Method ☒ Cash ☐ Accrual Other (specify) ▶

**H** Check ☒ if the organization is not required to attach Schedule B (Form 990, 990-EZ, or 990-PF)

**I** Website: ▶ **www.bba4usa.org**

**J** Tax-exempt status (check only one) — ☐ 501(c)(3) ☐ 501(c)(4) ◀ (insert no) ☐ 4947(a)(1) or ☐ 527

**K** Form of organization ☒ Corporation ☐ Trust ☐ Association ☐ Other

**L** Add lines 5b, 6c, and 7b to line 9 to determine gross receipts. If gross receipts are \$200,000 or more, or if total assets (Part II, column (B) below) are \$500,000 or more, file Form 990 instead of Form 990-EZ. ▶ \$ **26,092**

**Part I** Revenue, Expenses, and Changes in Net Assets or Fund Balances (see the instructions for Part I)  
Check if the organization used Schedule O to respond to any question in this Part I ☐

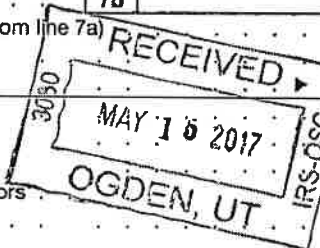
Line	Description	Amount
1	Contributions, gifts, grants, and similar amounts received	26,092
2	Program service revenue including government fees and contracts	
3	Membership dues and assessments	
4	Investment income	
5a	Gross amount from sale of assets other than inventory	
5b	Less: cost or other basis and sales expenses	
5c	Gain or (loss) from sale of assets other than inventory (Subtract line 5b from line 5a)	
6	Gaming and fundraising events	
6a	Gross income from gaming (attach Schedule G if greater than \$15,000)	
6b	Gross income from fundraising events (not including \$ of contributions from fundraising events reported on line 1) (attach Schedule G if the sum of such gross income and contributions exceeds \$15,000)	
6c	Less: direct expenses from gaming and fundraising events	
6d	Net income or (loss) from gaming and fundraising events (add lines 6a and 6b and subtract line 6c)	
7a	Gross sales of inventory, less returns and allowances	
7b	Less: cost of goods sold	
7c	Gross profit or (loss) from sales of inventory (Subtract line 7b from line 7a)	
8	Other revenue (describe in Schedule O)	
9	<b>Total revenue.</b> Add lines 1, 2, 3, 4, 5c, 6d, 7c, and 8	26,092
10	Grants and similar amounts paid (list in Schedule O)	
11	Benefits paid to or for members	
12	Salaries, other compensation, and employee benefits	
13	Professional fees and other payments to independent contractors	28,692
14	Occupancy, rent, utilities, and maintenance	
15	Printing, publications, postage, and shipping	40,518
16	Other expenses (describe in Schedule O)	41,692
17	<b>Total expenses.</b> Add lines 10 through 16	110,901
18	Excess or (deficit) for the year (Subtract line 17 from line 9)	-84,809
19	Net assets or fund balances at beginning of year (from line 27, column (A)) (must agree with end-of-year figure reported on prior year's return)	-192,329
20	Other changes in net assets or fund balances (explain in Schedule O)	9,993
21	<b>Net assets or fund balances at end of year.</b> Combine lines 18 through 20	-277,139

For Paperwork Reduction Act Notice, see the separate instructions.

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**Part II**   **Balance Sheets** (see the instructions for Part II)

Check if the organization used Schedule O to respond to any question in this Part II

		(A) Beginning of year	(B) End of year
22	Cash, savings, and investments . . . . .	18,657	22 9,993
23	Land and buildings . . . . .		23
24	Other assets (describe in Schedule O) . . . . .		24
25	<b>Total assets . . . . .</b>	<b>18,637</b>	<b>25 9,993</b>
26	<b>Total liabilities (describe in Schedule O) . . . . .</b>	<b>-210,967</b>	<b>26 -287,133</b>
27	<b>Net assets or fund balances (line 27 of column (B) must agree with line 21) . . . . .</b>	<b>-192,329</b>	<b>27 -277,139</b>

<b>Part III</b>	<b>Statement of Program Service Accomplishments</b> (see the instructions for Part III)
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Check if the organization used Schedule O to respond to any question in this Part III

What is the organization's primary exempt purpose? **Add several amendments to the US Constitution**

Describe the organization's program service accomplishments for each of its three largest program services, as measured by expenses. In a clear and concise manner, describe the services provided, the number of persons benefited, and other relevant information for each program title.

**Expenses**  
(Required for section  
501(c)(3) and 501(c)(4)  
organizations, optional for  
others)

**28 The cost of creative design, research, printing and distribution of materials used to educate state legislators and the public on the fiscal crisis facing our nation and the need for a Balanced Budget Amendment**

(Grants \$ ) If this amount includes foreign grants, check here

28a	40.000
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29 The cost of travel for volunteers to testify before state legislatures and to provide educational programs for the general public and interested organizations to encourage passage

(Grants \$ ) If this amount includes foreign grants, check here ☐

29a	40.000
-----	--------

30 Research regarding the growth of the national debt and solutions to prevent its growth.  
Additionally extensive research regarding having a state legislature call a national convention of the states  
to create the rules of procedure for a Balanced Budget Amendment Convention.

(Grants \$ ) If this amount includes foreign grants, check here

30a	27.000
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**31 Other program services (describe in Schedule O)**

(Grants \$ ) If this amount includes foreign grants, check here ☐

31a

32 Total program service expenses (add lines 28a through 31a)

32	107.000
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**Part IV** **List of Officers, Directors, Trustees, and Key Employees** (list each one even if not compensated—see the instructions for Part IV)

Check if the organization used Schedule O to respond to any question in this Part IV

[illegible]

**Part V Other Information** (Note the Schedule A and personal benefit contract statement requirements in the instructions for Part V) Check if the organization used Schedule O to respond to any question in this Part V. ☐

	Yes	No
<b>33</b> Did the organization engage in any significant activity not previously reported to the IRS? If "Yes," provide a detailed description of each activity in Schedule O		<input checked="" type="checkbox"/>
<b>34</b> Were any significant changes made to the organizing or governing documents? If "Yes," attach a conformed copy of the amended documents if they reflect a change to the organization's name. Otherwise, explain the change on Schedule O (see instructions)		<input checked="" type="checkbox"/>
<b>35a</b> Did the organization have unrelated business gross income of \$1,000 or more during the year from business activities (such as those reported on lines 2, 6a, and 7a, among others)?		<input checked="" type="checkbox"/>
<b>b</b> If "Yes," to line 35a, has the organization filed a Form 990-T for the year? If "No," provide an explanation in Schedule O		<input checked="" type="checkbox"/>
<b>c</b> Was the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization subject to section 6033(e) notice, reporting, and proxy tax requirements during the year? If "Yes," complete Schedule C, Part III		<input checked="" type="checkbox"/>
<b>36</b> Did the organization undergo a liquidation, dissolution, termination, or significant disposition of net assets during the year? If "Yes," complete applicable parts of Schedule N		<input checked="" type="checkbox"/>
<b>37a</b> Enter amount of political expenditures, direct or indirect, as described in the instructions	37a	0
<b>b</b> Did the organization file Form 1120-POL for this year?		<input checked="" type="checkbox"/>
<b>38a</b> Did the organization borrow from, or make any loans to, any officer, director, trustee, or key employee or were any such loans made in a prior year and still outstanding at the end of the tax year covered by this return?	38a	<input checked="" type="checkbox"/>
<b>b</b> If "Yes," complete Schedule L, Part II and enter the total amount involved	38b	143,132
<b>39</b> Section 501(c)(7) organizations. Enter:		
<b>a</b> Initiation fees and capital contributions included on line 9	39a	
<b>b</b> Gross receipts, included on line 9, for public use of club facilities	39b	
<b>40a</b> Section 501(c)(3) organizations. Enter amount of tax imposed on the organization during the year under: section 4911; section 4912; section 4955		
<b>b</b> Section 501(c)(3), 501(c)(4), and 501(c)(29) organizations. Did the organization engage in any section 4958 excess benefit transaction during the year, or did it engage in an excess benefit transaction in a prior year that has not been reported on any of its prior Forms 990 or 990-EZ? If "Yes," complete Schedule L, Part I	40b	<input checked="" type="checkbox"/>
<b>c</b> Section 501(c)(3), 501(c)(4), and 501(c)(29) organizations. Enter amount of tax imposed on organization managers or disqualified persons during the year under sections 4912, 4955, and 4958		
<b>d</b> Section 501(c)(3), 501(c)(4), and 501(c)(29) organizations. Enter amount of tax on line 40c reimbursed by the organization		
<b>e</b> All organizations. At any time during the tax year, was the organization a party to a prohibited tax shelter transaction? If "Yes," complete Form 8886-T	40e	<input checked="" type="checkbox"/>
<b>41</b> List the states with which a copy of this return is filed		
<b>42a</b> The organization's books are in care of William H. Fruth Located at 2740 SW Martin Downs Blvd, #235, Palm City, FL 34990 Telephone no. 772-781-5559 ZIP + 4 34990		
<b>b</b> At any time during the calendar year, did the organization have an interest in or a signature or other authority over a financial account in a foreign country (such as a bank account, securities account, or other financial account)? If "Yes," enter the name of the foreign country: See the instructions for exceptions and filing requirements for FinCEN Form 114, Report of Foreign Bank and Financial Accounts (FBAR).	42b	<input checked="" type="checkbox"/>
<b>c</b> At any time during the calendar year, did the organization maintain an office outside the United States? If "Yes," enter the name of the foreign country:	42c	<input checked="" type="checkbox"/>
<b>43</b> Section 4947(a)(1) nonexempt charitable trusts filing Form 990-EZ in lieu of Form 1041—Check here and enter the amount of tax-exempt interest received or accrued during the tax year	43	<input type="checkbox"/>
<b>44a</b> Did the organization maintain any donor advised funds during the year? If "Yes," Form 990 must be completed instead of Form 990-EZ	44a	<input checked="" type="checkbox"/>
<b>b</b> Did the organization operate one or more hospital facilities during the year? If "Yes," Form 990 must be completed instead of Form 990-EZ	44b	<input checked="" type="checkbox"/>
<b>c</b> Did the organization receive any payments for indoor tanning services during the year?	44c	<input checked="" type="checkbox"/>
<b>d</b> If "Yes" to line 44c, has the organization filed a Form 720 to report these payments? If "No," provide an explanation in Schedule O	44d	
<b>45a</b> Did the organization have a controlled entity within the meaning of section 512(b)(13)?	45a	<input checked="" type="checkbox"/>
<b>b</b> Did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? If "Yes," Form 990 and Schedule R may need to be completed instead of Form 990-EZ (see instructions)	45b	<input checked="" type="checkbox"/>

- 46 Did the organization engage, directly or indirectly, in political campaign activities on behalf of or in opposition to candidates for public office? If "Yes," complete Schedule C, Part I

	Yes	No
46	<input type="checkbox"/>	<input checked="" type="checkbox"/>

**Part VI Section 501(c)(3) organizations only**

All section 501(c)(3) organizations must answer questions 47-49b and 52, and complete the tables for lines 50 and 51.

Check if the organization used Schedule O to respond to any question in this Part VI ☐

- 47 Did the organization engage in lobbying activities or have a section 501(h) election in effect during the tax year? If "Yes," complete Schedule C, Part II
- 48 Is the organization a school as described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E
- 49a Did the organization make any transfers to an exempt non-charitable related organization?
- b If "Yes," was the related organization a section 527 organization?
- 50 Complete this table for the organization's five highest compensated employees (other than officers, directors, trustees, and key employees) who each received more than \$100,000 of compensation from the organization. If there is none, enter "None."

	Yes	No
47	<input type="checkbox"/>	<input type="checkbox"/>
48	<input type="checkbox"/>	<input type="checkbox"/>
49a	<input type="checkbox"/>	<input type="checkbox"/>
49b	<input type="checkbox"/>	<input type="checkbox"/>

(a) Name and title of each employee	(b) Average hours per week devoted to position	(c) Reportable compensation (Forms W-2/1099-MISC)	(d) Health benefits, contributions to employee benefit plans, and deferred compensation	(e) Estimated amount of other compensation

f Total number of other employees paid over \$100,000

- 51 Complete this table for the organization's five highest compensated independent contractors who each received more than \$100,000 of compensation from the organization. If there is none, enter "None."

(a) Name and business address of each independent contractor	(b) Type of service	(c) Compensation

d Total number of other independent contractors each receiving over \$100,000

- 52 Did the organization complete Schedule A? **Note:** All section 501(c)(3) organizations must attach a completed Schedule A ☐ Yes ☐ No

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here  Signature of officer  Date 5/9/17  
 Type or print name and title WILLIAM H. FRUTH - PRESIDENT

Paid Preparer Use Only Print/Type preparer's name Preparer's signature Date Check ☐ if self-employed PTIN  
 Firm's name  Firm's EIN   
 Firm's address  Phone no

May the IRS discuss this return with the preparer shown above? See instructions ☐ Yes ☐ No



**SCHEDULE L**  
**(Form 990 or 990-EZ)**Department of the Treasury  
Internal Revenue Service**Transactions With Interested Persons**

► Complete if the organization answered "Yes" on Form 990, Part IV, line 25a, 25b, 26, 27, 28a, 28b, or 28c, or Form 990-EZ, Part V, line 38a or 40b.  
► Attach to Form 990 or Form 990-EZ.

► Information about Schedule L (Form 990 or 990-EZ) and its instructions is at [www.irs.gov/form990](http://www.irs.gov/form990).

OMB No 1545-0047

**2016****Open To Public Inspection**

Name of the organization

Balanced Budget Amendment, Inc.

Employer identification number

27-1351108

**Part I****Excess Benefit Transactions** (section 501(c)(3), section 501(c)(4), and 501(c)(29) organizations only).

Complete if the organization answered "Yes" on Form 990, Part IV, line 25a or 25b, or Form 990-EZ, Part V, line 40b.

1	(a) Name of disqualified person	(b) Relationship between disqualified person and organization	(c) Description of transaction	(d) Corrected?	
				Yes	No
(1)					
(2)					
(3)					
(4)					
(5)					
(6)					

2 Enter the amount of tax incurred by the organization managers or disqualified persons during the year under section 4958. ▶ \$

3 Enter the amount of tax, if any, on line 2, above, reimbursed by the organization. ▶ \$

**Part II****Loans to and/or From Interested Persons.**

Complete if the organization answered "Yes" on Form 990-EZ, Part V, line 38a or Form 990, Part IV, line 26; or if the organization reported an amount on Form 990, Part X, line 5, 6, or 22.

(a) Name of interested person	(b) Relationship with organization	(c) Purpose of loan	(d) Loan to or from the organization?		(e) Original principal amount	(f) Balance due	(g) In default?		(h) Approved by board or committee?		(i) Written agreement?	
			To	From			Yes	No	Yes	No	Yes	No
(1) William H. Fruth	Director	Expenses	✓		12,500	12,500	✓		✓			✓
(2) William H. Fruth	Director	Expenses	✓		40,366	7,866	✓		✓			✓
(3) William H. Fruth	Director	Expenses	✓		800	800	✓		✓			✓
(4) William H. Fruth	Director	Expenses	✓		2,630	2,630	✓		✓			✓
(5) POLICOM Corp	Controlled Ent	Payable	✓		14,000	14,000	✓		✓			✓
(6) POLICOM Corp	Controlled Ent	Payable	✓		12,500	12,500	✓		✓			✓
(7) POLICOM Corp	Controlled Ent	Payable	✓		12,000	12,000	✓		✓			✓
(8) POLICOM Corp	Controlled Ent	Payable	✓		58,836	58,836	✓		✓			✓
(9) POLICOM Corp	Controlled Ent	Payable	✓		6,500	6,500	✓		✓			✓
(10) POLICOM Corp	Controlled Ent	Payable	✓		15,500	15,500	✓		✓			✓
<b>Total</b>						\$ 143,132						

**Part III****Grants or Assistance Benefiting Interested Persons.**

Complete if the organization answered "Yes" on Form 990, Part IV, line 27.

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of assistance	(d) Type of assistance	(e) Purpose of assistance
(1)				
(2)				
(3)				
(4)				
(5)				
(6)				
(7)				
(8)				
(9)				
(10)				

For Paperwork Reduction Act Notice, see the Instructions for Form 990 or 990-EZ.

Cat No 50056A

Schedule L (Form 990 or 990-EZ) 2016

Complete if the organization answered "Yes" on Form 990, Part IV, line 28a, 28b, or 28c.

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of transaction	(d) Description of transaction	(e) Sharing of organization's revenues?	
				Yes	No
(1)					
(2)					
(3)					
(4)					
(5)					
(6)					
(7)					
(8)					
(9)					
(10)					

Provide additional information for responses to questions on Schedule L (see instructions).

Supplemental information for Form 990 or 990-EZ

Line 16: Virtually all expenditures were for travel expenses for volunteers who traveled nationally to meet with state legislators, testify before legislative panels, and speak to interested organizations to persuade all to support passage of a resolution to convene a convention for proposing a Balanced Budget Amendment.

Line 20: Surplus borrowed funds - cash on hand at year end.

Line 25: Checking account balance, cash on hand at year end.

Line 26: Accumulated debt since 2010. Includes payables.

Sch. I, Part II: POLICOM Corporation is owned by William H. Fruth, Director. Listed loans by POLICOM are payables for services dating back to 2010. POLICOM is an economic research firm and publishes economic studies and information.

<b>Supplemental Information to Form 990 or 990-EZ</b> Complete to provide information for responses to specific questions on Form 990 or 990-EZ or to provide any additional information. ► Attach to Form 990 or 990-EZ. ► Information about Schedule O (Form 990 or 990-EZ) and its instructions is at <a href="http://www.irs.gov/form990">www.irs.gov/form990</a> .		<b>SCHEDULE O</b> (Form 990 or 990-EZ) Department of the Treasury Internal Revenue Service Name of the organization Balanced Budget Amendment, Inc. Employer identification number 27-1351108
<b>Open to Public Inspection</b> <b>2016</b> OMB No 1545-0047		

